

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

Amendment No. 5 to HB2354

**Harwell
Signature of Sponsor**

AMEND Senate Bill No. 2326

House Bill No. 2354*

By deleting Section 3 as amended in its entirety and by substituting instead the following:

SECTION 3. Tennessee Code Annotated, Section 67-4-1025, is amended by adding the following as a new, appropriately designated subsection:

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(1) Notwithstanding any provision of this act to the contrary, all cigarette tax revenue generated from the increase in the tax rate levied by the provisions of this act shall be deposited in the "Grocery Sales Tax Reduction Fund".

(2) There is created a special account in the general fund to be known as the "Grocery Sales Tax Reduction Fund". Funds in the Grocery Sales Tax Reduction Fund shall not revert to the general fund at the end of any fiscal year and shall be invested in the same manner as all other funds in the general fund are invested. Any revenue generated from investment of funds in the Grocery Sales Tax Reduction Fund shall be deposited into the Grocery Sales Tax Reduction Fund. Funds in the Grocery Sales Tax Reduction Fund shall only be appropriated and expended to hold harmless state and local governments from revenue losses incurred as a result of reductions in the sales and use tax on food.